

## A G E N D A



## Recommendation for Council Action

Austin City Council

Item ID

69923

Agenda Number

25.

Meeting Date:

4/20/2017

Department:

Telecommunications and Reg  
Affairs

## Subject

Approve an ordinance suspending a Gas Reliability Infrastructure Program interim customer surcharge proposed by CenterPoint Energy Resources.

## Amount and Source of Funding

## Fiscal Note

Purchasing Language:

Prior Council Action:

For More Information:

Rondella M. Hawkins, TARA Officer, 512-974-2422

Council Committee,  
Boards and  
Commission Action:

MBE / WBE:

Related Items:

## Additional Backup Information

On March 30, 2017, CenterPoint Energy Resources Corp., South Texas Division ("CenterPoint") filed its Gas Reliability Infrastructure Program (GRIP) filing in Austin and in the other cities that it serves in the South Texas Division. This filing was made in compliance with the Texas Utilities Code, section 104.301 which allows a gas utility to make interim rate adjustments in order to recover capital investments in gas pipeline infrastructure made during the interim period between rate cases. Pursuant to the Gas Utilities Regulatory Act, the City has original jurisdiction over privately owned gas utility rates set for customers within its city limits.

The filing notified cities of CenterPoint's intent to increase rates by \$30,316,19 which is based on the net increase in capital investment in the South Texas Division for the period of January 1, 2016 through December 31, 2016.

Based on company-provided information, the proposed rate adjustments to the monthly customer charge per customer class are as follows:

Rate Schedules	Current Customer Charge	2017 Interim GRIP Adjustment/% Change	Adjusted Customer Charge
Residential	\$21.20 per customer per month	\$2.04 per customer per month (9.6%)	\$23.24 per customer per month
General Service Small	\$34.74 per customer per month	\$4.13 per customer per month (11.9%)	\$38.87 per customer per month
General Service Large Volume	\$188.15 per customer per month	\$25.06 per customer per month (13.3%)	\$213.21 per customer per month

CenterPoint has approximately 700 customers in southeast Austin primarily in the Goodnight Ranch area located east of IH-35, west of Thaxton Road, south of E. William Cannon Drive, and north of Highway 1327. State law authorizes the City to suspend the implementation date of the interim charge by 45 days. CenterPoint proposed an effective date of May 29, 2017 for the interim rate adjustment. Staff recommends a 45-day suspension until July 13, 2017, to allow additional time to review the filing to ensure it complies with statute. Staff will present its recommended action on the proposed interim rate adjustment to Council for consideration during a public hearing as required by Article XI of the City Charter before the 45-day suspension ends.